

To the Members of the California State Senate:

I am returning Senate Bill 1341 without my signature.

This measure would amend the definition of “telemedicine” in the Business and Professions Code to include “store and forward” technologies for dermatology and ophthalmology. Through a cross-reference to the Welfare & Institutions Code, this bill has the effect of authorizing a “consultation” level of reimbursement to providers who are interpreting diagnostic or lab results without examining or interacting with the patient. The Medi-Cal program provides reimbursement for these interpretation services at a lower fee level which reflects the lack of physician-patient interaction. This bill would have the effect of increasing Medi-Cal program costs with no increase in patient access to care.

In addition to the concerns listed above, this bill could also undermine important anti-fraud measures in the Medi-Cal program. In an effort to verify that services are being properly provided, Medi-Cal is sending notices to beneficiaries when services are billed and asking that the beneficiary verify the provision of these services. This bill, with no requirement for patient interaction with the physician, would undermine this effort.

Because store-and-forward technologies offer opportunities for improved patient care, my Administration is prepared to work with the Legislature to draft a measure that will take advantage of those opportunities, while minimizing the possibility of fraud and abuse. I encourage the author to work with the Department of Health Services next year on this issue.

For these reasons I am returning this bill without my signature.

Sincerely,

Arnold Schwarzenegger